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DEPARTMENT FOR EEB/TRA/AN (SWEIKHART/ROCHE) AND NEA/MAG  
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DEPT OF COMMERCE FOR ITA - N MASON  
MONTREAL FOR ICAO MISSION

E.O. 12958: N/A  
TAGS: [EAIR](#) [ECON](#) [ETRD](#) [EFIN](#) [MO](#)  
SUBJECT: IATA "AGENDA FOR FREEDOM" DEMARCHE DELIVERED TO  
MOROCCO

REF: SECSTATE 09 131634

¶1. (SBU) Embassy delivered reftel demarche by diplomatic note to Morocco's Foreign Ministry on January 8. EconCouns followed up in person on February 4 with Director of Air Transport Hamid Zhar of the Ministry of Equipment and Transportation, the senior Moroccan official responsible for aviation policy. In response, Zhar stated that the Government of Morocco was aware of the Statement of Policy Principles and was in the process of considering whether to join in endorsing it. However, Zhar sought clarification of several points:

-- What are the rules under current U.S. law regarding foreign ownership of U.S. airlines?  
-- Does the U.S.-EU Open Skies Agreement permit any higher percentage of foreign ownership?  
-- What is the next step beyond the signing of the Declaration? Does the U.S. administration envisage proposing a new law to allow for increased foreign ownership of U.S. airlines?  
-- Is there a distinction to be drawn between the signing of the Declaration by the U.S. and its partner countries, and its subsequent "approval" or "endorsement" by the European Commission? In other words, he asked, does an "approval" carry the same weight as a signature?

¶2. (SBU) COMMENT: While Zhar's demeanor was friendly and engaging, his questions left some doubt as to whether the government of Morocco was likely to join in endorsing the Statement. Zhar added in an aside that Morocco had significantly liberalized its air transport policy by signing Open Skies agreements with the U.S., the EU and certain Arab countries, and was now in a period of reflection and consolidation. In particular, he noted that the national carrier Royal Air Maroc was experiencing some difficulty in competing with low-cost European-based budget carriers for the charter and tourist markets, which undercut support for further liberalization of its aviation policy.

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